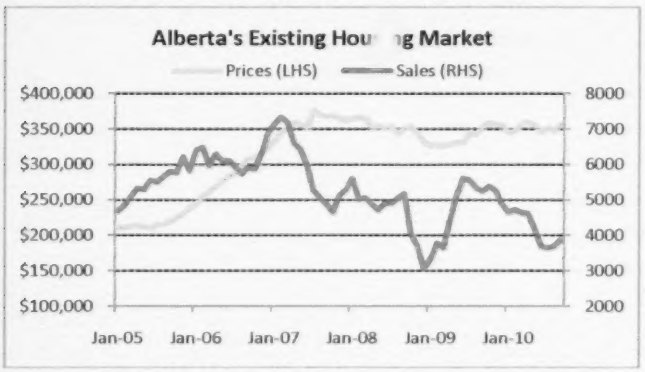
## Resale Housing Market

***Prices and sales both improve in September…***

Sales of existing homes in Alberta increased by 4.8% in September, after growing by 1.4% in August. After reaching the recent peak in June, 2009 there were only three other months with increased sales. On the supply side, the number of new listings increased by 3.2% in September after four straight months of decline. This led to a slight increase in the sales-to-new listings ratio to 0.44. A ratio between 0.40 and 0.60 indicates balanced market conditions. The average resale price of a house in Alberta increased by 2.8% in September to $356,784. This means that housing prices were slightly higher (0.4%) than the average in September 2009.

In Calgary, sales rose for the third consecutive month in September (6.4%), while prices were up 3.4% after declining for three straight months. In Edmonton, sales were up 2.0% in September after growing only 0.2% in August. Edmonton prices were up for the third consecutive month, rising by 2.5% in September.




## Manufacturing Shipments

***Sales continue upwards in August…***

The value of Alberta's manufacturing shipments increased by 2.0% in August to reach $4.9 billion (seasonally adjusted), after growing by 1.2% in July. The increase was mainly due to higher shipments in the chemical products (6.4%) and the petroleum and coal products (3.8%) industries. These gains were partially offset by a decline of 2.7% in shipments of food products. Total shipments in August, 2010 were 14.6% higher than in August, 2009.

| | | |
|---|---|---|
| ↑ | **Canadian Dollar (US¢/C$)** | |
| | October 15, 2010 | 98.93 |
| | October 8, 2010 | 98.66 |
| | 2010-11 YTD | 96.95 |
| ↑ | **WTI Oil US$/bbl** | |
| | October 14, 2010 | $ 82.69 |
| | October 7, 2010 | $ 81.67 |
| | 2010-11 YTD | $ 77.50 |
| ↓ | **Nymex Natural Gas C$/MMBtu*** | |
| | **Near-month Contract** | |
| | October 15, 2010 | $3.63 |
| | October 8, 2010 | $3.70 |

*Estimate based on Nymex Futures Market Price

## Motor Vehicle Sales

***Alberta had highest growth in Canada in August…***

New motor vehicle sales in Alberta rose for the fourth consecutive month in August, up 2.4% to 17,859 units (seasonally adjusted). On a year-over-year basis, sales were 14.6% higher. Nationally, sales dropped by 4.8% in August but were still 0.9% higher than the August 2009 level.

## New Housing Prices

***New housing prices remain stable in Alberta…***

The New Housing Price Index (NHPI) for Alberta remained flat between July and August. Nationally, new house prices were up 0.1% between July and August, after declining 0.1% in July. The cause of the reversal was higher costs reported by builders. On a year-over-year basis, prices were up 1.5% in Alberta and 2.9% nationally.

## Bankcruptcy

***Bankruptcies decline in August…***

The total number of bankruptcies (business and personal) in Alberta dropped to 645 in August. The number of business bankruptcies was 30, lower than the 5-year average of 46. The number of personal bankruptcies fell nearly 10% between July and August to 615.

## International Merchandise Trade

***Canada's trade deficit narrows in August…***

Canada's merchandise trade deficit narrowed from $2.5 billion in July to $1.3 billion in August. Exports rose by 3.1% after dropping for the past two months, while the value of imports declined 0.5% in August. Exports to the US were up 2.7%, while imports from the US dropped 3.3% -- raising Canada's trade surplus with the US from $1.5 billion in July to $2.9 billion in August.

# Current Economic Indicators

| | 2008 | 2009 | 2010Ytd | Apr | May | June | July | August | Sept |
|---|---|---|---|---|---|---|---|---|---|
| **Population** | | | | | | | | | |
| Population1 (000's) (level) | 3,591 | 3,671 | 3,721 | 3,702 | -- | -- | 3,721 | -- | -- |
| % change | 2.2 | 2.2 | 1.4 | 1.4 | -- | -- | 1.4 | -- | -- |
| Net Interprovincial Migraton1 (level) | 15,317 | 13,184 | -2,183 | 312 | -- | -- | 2,820 | -- | -- |
| Net International Migration1 (level) | 15,641 | 16,835 | 21,533 | 5,148 | -- | -- | 8,035 | -- | -- |
| Net Non-permanent Residents1 (level) | 18,611 | 19,162 | -77 | -47 | -- | -- | -753 | -- | -- |
| **Labour Market** | | | | | | | | | |
| Employment (000's) | 2,013 | 1,988 | 1,991 | 1,979 | 1,994 | 2,000 | 2,009 | 2,004 | 2,004 |
| % change | 2.8 | -1.3 | 0.0 | -0.4 | 0.3 | 0.6 | 1.1 | 1.1 | 0.8 |
| Unemployment Rate (%) | 3.6 | 6.6 | 6.7 | 7.4 | 6.6 | 6.7 | 6.3 | 6.5 | 6.2 |
| Participation Rate (%) | 74.7 | 74.3 | 73.1 | 73.4 | 73.2 | 73.3 | 73.1 | 73.0 | 72.7 |
| Average Weekly Earnings ($) | 923.21 | 950.13 | 986.70 | 993.17 | 985.03 | 994.21 | 992.26 | -- | -- |
| % change | 6.0 | 2.9 | 3.8 | 6.1 | 4.4 | 4.2 | 5.3 | -- | -- |
| **Price Indices** | | | | | | | | | |
| Consumer Price Index | 3.2 | -0.1 | 1.2 | 1.6 | 1.1 | 0.6 | 1.5 | 0.6 | -- |
| Excluding food and energy | 2.1 | 1.4 | 0.9 | 1.4 | 0.9 | 0.7 | 0.8 | 0.5 | -- |
| Non-Res. Const. Cost Index2 (quarterly) | 13.2 | -9.8 | -2.3 | -- | -- | 0.6 | -- | -- | -- |
| Farm Product Price Index | 13.5 | -10.2 | -11.9 | 3.6 | 2.4 | -6.1 | -- | -- | -- |
| Crops | 29.5 | -17.5 | -23.6 | -0.6 | -5.7 | 0.3 | -- | -- | -- |
| Livestock | 1.8 | -2.5 | -2.1 | 4.6 | 2.4 | -6.3 | -- | -- | -- |
| **Household Sector** | | | | | | | | | |
| Housing Starts (SAAR, 000's) | 29.2 | 20.0 | 28.5 | 29.5 | 29.6 | 26.9 | 29.9 | 24.4 | 28.9 |
| % change | -39.6 | -31.6 | 68.5 | 128.7 | 107.0 | 32.5 | 54.1 | 17.9 | 17.5 |
| New Housing Price Index | 0.7 | -9.0 | 0.2 | 1.0 | 1.6 | 1.9 | 1.5 | 1.5 | -- |
| NEW! Edmonton | 1.0 | -11.2 | -1.6 | -1.0 | -0.1 | 0.6 | 0.2 | 0.5 | -- |
| Calgary | 0.6 | -6.7 | 2.0 | 2.9 | 3.1 | 3.2 | 2.7 | 2.4 | -- |
| MLS Average Resale Prices ($ 000's) | 351.4 | 340.5 | 351.9 | 359.9 | 355.5 | 345.4 | 352.2 | 347.2 | 356.8 |
| % change | -1.5 | -3.1 | 4.8 | 7.7 | 7.1 | 4.0 | 3.1 | -0.5 | 0.4 |
| Edmonton | 330.8 | 319.1 | 325.4 | 332.1 | 317.9 | 303.9 | 323.2 | 325.7 | 333.7 |
| NEW! % change | -2.0 | -3.5 | 3.4 | 8.7 | 4.4 | 2.1 | 1.5 | 2.6 | -0.7 |
| Calgary | 401.1 | 384.3 | 399.6 | 401.3 | 411.5 | 403.8 | 402.7 | 392.1 | 405.3 |
| % change | -2.9 | -4.2 | 5.2 | 6.4 | 9.2 | 5.8 | 5.5 | -0.8 | 1.6 |
| Retail Sales3 | 0.2 | -8.3 | 4.8 | 5.3 | 2.1 | 3.8 | 4.5 | -- | -- |
| New Motor Vehicle Sales NEW! | -7.3 | -21.7 | 10.2 | 6.9 | 4.7 | 13.2 | 10.2 | 14.6 | -- |
| Consumer Bankruptcies | 6,066 | 9,986 | 5,532 | 744 | 672 | 778 | 626 | 615 | -- |
| % change NEW! | 27.2 | 64.6 | -18.8 | -11.2 | -20.7 | -23.8 | -28.2 | -30.3 | -- |
| **Business Sector** | | | | | | | | | |
| Rigs Drilling | 236 | 128 | 186 | 62 | 56 | 118 | 199 | 222 | 177 |
| % change | -2.1 | -45.6 | 62.7 | 51.9 | 76.4 | 99.0 | 135.2 | 130.3 | 59.3 |
| Goods Exports (customs based) | 35.0 | -36.3 | 17.0 | 24.1 | 47.0 | 15.1 | 8.7 | 13.7 | -- |
| Energy | 43.2 | -40.1 | 26.5 | 42.7 | 77.5 | 20.6 | 8.8 | 15.7 | -- |
| NEW! Agriculture | 31.8 | -10.2 | -13.9 | -27.6 | -5.0 | -9.0 | -3.4 | -8.4 | -- |
| Total Farm Cash Receipts (quarterly) | 17.2 | -8.1 | -17.3 | -- | -- | -- | -- | -- | -- |
| Manufacturing Shipments | 6.9 | -23.7 | 8.1 | 10.4 | 13.7 | 10.8 | 12.5 | 14.6 | -- |
| NEW! Wholesale Trade4 | 8.7 | -14.1 | 3.7 | 5.5 | 7.5 | 8.4 | 12.2 | -- | -- |
| Building Permits | -16.5 | -14.2 | 20.2 | 28.1 | -11.8 | 32.5 | 10.1 | 3.4 | -- |
| Residential | -31.5 | -11.8 | 56.6 | 64.6 | 90.9 | 53.0 | 19.4 | -12.2 | -- |
| Non-residential | 3.7 | -16.3 | -10.8 | 0.0 | -57.7 | 14.4 | -3.0 | 39.2 | -- |
| Business Bankruptcies NEW! | 447 | 405 | 257 | 37 | 35 | 23 | 27 | 30 | -- |
| % change | -0.4 | -9.4 | -5.9 | 54.2 | 2.9 | -30.3 | -22.9 | -9.1 | -- |

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Finance and Enterprise

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* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).

[2] Average of Calgary and Edmonton

[3] The Retail Sales series was revised on April 23, 2010 and is no longer comparable with numbers in previous Bulletins.

[4] The Wholesale Trade series was revised on April 21, 2010 and is no longer comparable with numbers in previous Bulletins.

***Sources:*** All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

# Current Economic Indicators by Province